

Standard Specifications for Revaluation of General Property Pursuant to Chapter 70, Wisconsin Statutes

*These standard specifications shall be used for assessment work performed
under ss. 70.055, s. 70.75(1) and 70.75(3)*

DEFINITIONS

1. "Appraiser" shall mean either an individual, a partnership or a corporate firm responsible for the overall reappraisal function.
2. "Manual" shall mean the "Wisconsin Property Assessment Manual," Volumes I and II, prepared and issued by the Wisconsin Department of Revenue for the State of Wisconsin together with all material designated by the Department as being part of or supplemental to the Property Assessment Manual.
3. "Parcel" means an individual legal description for a tract of land and shall include not only the land itself but all buildings and improvements thereon.
4. "Real Estate Parcel Count" shall mean the total number of individual real estate descriptions assessed locally on the municipality's real estate assessment roll for the assessment year specified in Article II, Section I of the contract.
5. "Personal Property Count" shall mean the total number of completed personal property lines or accounts listed in the municipality's personal property assessment roll for the assessment year specified in Article II, Section I of the contract.
6. "Major Building" shall mean any and all houses on residential parcels, the buildings representing the major use of commercial parcels, and any and all houses on agricultural land.
7. "Property Record Cards" shall mean the current versions of the residential, agricultural and other, and commercial property record cards or equivalents, approved by the Department of Revenue and used for the purpose of making a record to support and substantiate the value conclusion for each parcel. A state-approved property record card should be maintained on every parcel of property in the district.
8. "Local Modifier" shall mean that mathematical factor necessary to convert the basic cost estimate derived from the Wisconsin Property Assessment Manual or other cost manual to current cost in the municipality.
9. "Municipality" shall mean a taxation district, either the town, village or city, in which general property taxes are levied and collected.
10. "Department" shall mean Department of Revenue, Bureau of Equalization, 2135 Rimrock Rd., PO Box 8971, Madison, Wisconsin 53708-8971.
11. "Assessment Board" shall refer to the appointed expert help and the local assessor, acting together in exercising the powers and duties of the assessor, and shall be composed as set forth in s. 70.055(4). When the Department is supervising the Assessment, the Department shall name an employee to serve on the Board.
12. "Computer-Assisted" – using a computer program or programs to analyze, calculate and display data used in the development of the assessments.

AGREEMENTS – APPRAISER

Scope of Service Appraiser to Provide

13. **CONFORMANCE TO STATUTES.** All work shall be accomplished in accordance with the provisions of the laws of the State of Wisconsin and in full compliance with all the rules and regulations officially adopted and promulgated by the Wisconsin Department of Revenue.
14. **OATH OF OFFICE.** The appraiser shall be required to take and subscribe to an oath or affirmation supporting the Constitution of the United States and of the State of Wisconsin and to faithfully perform the duties of assessor. If the appraiser is a corporation or partnership, the person(s) designated as responsible for the assessment shall comply with the above. The oath shall conform to Section 19.01 and be filed with the municipal clerk prior to undertaking any of said duties.
15. **PERSONNEL** (a) All personnel providing services shall be currently certified in compliance with s. 70.055 and 73.09 and the administrative rules prescribed by the Department.

(b) The appraiser shall review any complaint relative to the conduct of his employee(s). If the municipality deems the performance of any of the appraiser's employees to be unsatisfactory, the appraiser shall, for good cause, remove such employee(s) from work upon written request from the municipality, such request stating reasons for removal.

(c) Prior to commencing the revaluation, the appraiser shall file with the municipal clerk names of all employees to be performing work and the type of work to be performed by each, excepting non-appraisal office clerical help. A corporation or partnership shall indicate the person(s) designated as responsible for the assessment. All persons on file are to carry an up-to-date identification card and a letter of introduction from the municipality or the Department when the Department is supervising the assessment.
16. **ASSESSMENT MANUAL.** The appraiser shall make all assessments in accordance with the property assessment manual as specified in sections 70.32 and 70.34.
17. **ACCURATE PARCEL IDENTIFICATION.** The appraiser shall review all legal descriptions as listed in the assessment roll for imperfections to include, but not restricted to errors, incorrect acreages, omissions, overlap, or failure to close. In the event that such discrepancies exist, the appraiser shall correct or cause the same to be corrected. Additional compensation, if any, shall be as specified in Article II, Section III of the standard contract.
18. **PREPARATION OF RECORD CARDS.** (a) The appraiser shall prepare individual record cards or computer-generated data sheets for each parcel to be revalued on forms currently approved by the Department. If the appraiser and/or municipality shall have reason to use forms not currently approved, such use shall be contingent upon Department approval.

(b) Record cards shall be completed for each parcel, labels with the property owners name and address as provided in Section 70.17, and the following information as listed in the assessment roll: legal description of the property, parcel number and size of land parcel when available.

(c) Appropriate record cards shall be used in the evaluation and collection of data for residential improvements, commercial improvements, and other improvements. All information relating to improvements shall be obtained and shown as provided on the respective forms.

19. **APPROACHES TO VALUE.** (a) The appraiser shall consider the cost, market, and income approaches in the valuation of all vacant and improved parcels of property by computer-assisted means.

(b) The appraiser shall collect and analyze all available sales data for the municipality in order to become familiar with prevailing market conditions, market activity, and specific transactions which may be utilized in determining the market value of properties throughout the municipality. Data gathered shall either be noted on the property record cards, or contained within supplements to the records (e.g. copies of real estate transfer returns, leases, computer-generated data sheets, etc.). All data so gathered shall become and remain the property of the municipality.

(c) Sales analysis shall include sales identified on an appropriate map (section, subdivision, etc.), analysis and verification for time adjustments, neighborhood boundaries and descriptions and other (agricultural) improvements. It may be necessary, as part of the analysis, to field a sale and measure and list the improvements of the properties that have sold using computer-assisted means.

(d) In valuing income producing properties, where appropriate, the appraiser shall collect information from owners, tenants, realtors, financial institutions, and any other necessary sources, for use in the valuation process. Data to be analyzed shall include economic rents for each type of property, typical vacancy rates, and typical operation expense ratios. All data shall be properly documented and adequate records shall be prepared for each parcel showing the determination of value by the income approach. For improved parcels this shall include a reconstruction of income and expenses, an estimate of remaining economic life, and the capitalization rate applied. Capitalization rates shall be accurately documented by information obtained from the market.

20. **IMPROVEMENTS – DATA COLLECTION.** (a) The appraiser shall accurately measure to the nearest foot all improvements and prepare a complete outline sketch to scale (top view) of the major buildings showing all additions, porches, and appendages with dimensions and necessary identifications on the property record cards.

(b) The appraiser shall photograph all residences, and all major commercial improvements and all major buildings on agricultural land classified as other.

(c) The appraiser shall inspect the interior of a *minimum* of 90% of the major buildings of each class of improvements, noting both the interior and exterior features on the proper record card to provide an accurate and complete listing for each improvement. The actual number of improvements to be inspected for each class shall be determined by applying the above percentage to the final improvement count for each respective class.

(d) In those instances where a minimum inspection of 90% is unattainable due to the nature of the properties to be valued and the time of the year, an alternate minimum shall be so specified in the addenda of the standard contract, such minimum to be established by the municipality/ Department.

(e) In those instances where a minimum inspection of 90% of the major buildings of each class of improvements is not considered adequate, an alternate minimum shall be specified in the addenda of the standard contract.

(f) The date of inspection or listing of all major buildings shall be indicated on the record cards.

(g) Upon failure to gain entrance to a major building after reasonable attempt, the appraiser shall attempt to contact the property owner or occupant by ordinary mail to arrange an appointment for the purpose of viewing and listing the interior.

(h) If the appraiser's request to list a major building is refused by the owner or occupant, the appraiser shall make a request by registered mail to inspect the building; such written request shall state the purpose of the inspection, the desired time of inspection and shall advise the owner or occupant that their refusal shall constitute a loss of appeal of the assessment to the local board of review and further appeal avenues; should the requests to inspect major buildings be denied, the appraiser shall list and value the improvements according to the best information practicably obtainable.

21. **IMPROVEMENT VALUATION – COST APPROACH.** (a) The appraiser shall value improvements in accordance with Wisconsin Property Assessment Manual, using generally acceptable appraisal practices and cost manuals and computer-generated costs.

(b) In using the cost approach for residential improvements, the prescribed form or computer generated data sheet, or its equivalent as approved by the Department, shall be used in determining replacement costs. The property record card shall be completed as recommended for use with Volume 2 or other cost manual, with proper base costs selected as appropriate for each improvement and adjusted base building costs.

(c) In using the cost approach for other (agricultural) outbuildings, the current replacement costs should be determined for all buildings. Buildings in poor condition having little or no value shall be physically described and listed as having "no value" or given an appropriate sound physical value.

(d) In using the cost approach for commercial improvements, or a computer-generated calculator, proper base costs shall be selected as appropriate and adjusted to adequately reflect variations from base building costs.

(e) Current local modifiers and costs appearing in the approved cost calculator shall be adjusted where necessary and documented by an analysis of local construction costs and market sales data.

(f) All accrued depreciation, including physical deterioration, functional obsolescence, and economic obsolescence, must be accurately documented by the market and deducted from current replacement costs.

(g) All improvements shall be valued at market value as of January 1.

(h) The statutory assessor shall be responsible for collecting all other required information in regard to personal property, determining values on assessable personal property not used for production of income, and completing all necessary forms in relation thereto. In the case where the assessor fails to perform, the appraiser shall collect all the required information.

22. **DATA COLLECTION – LAND.** (a) The appraiser shall gather and note on the property record card or computer-generated data sheet for each parcel information including, but not limited to size, area, frontage, width, depth, shape, topography, productivity, site improvements, utilities, access, zoning and location. This information shall include a land sketch.

(b) The appraiser shall collect data concerning sales of land and sales of improved parcels which may indicate the residual value of land. From these and other sources the appraiser shall become familiar with land values throughout the municipality.

23. **VALUATION – LAND.** (a) Unit value ranges per acre for each grade of fallow agricultural land, agricultural forest land, undeveloped land and productive forest land shall be determined from an analysis of sales and other available market data. Agricultural forest land and undeveloped land values shall be adjusted to 50% of full market value, per s. 70.32(4), WI Stats. Soil surveys, where available, shall be used in the classification of land. Agricultural land shall be valued according to use, per s. 70.32, Wis. Stats. In the analysis of sales, work forms shall be prepared for recording data on each sale analyzed and for correlating price data from the sales for the various classes of land and noting if land qualifies for use value or is fallow. Such forms shall be left with the municipality.

(b) Aerial photographs shall also be used in the evaluation and classification of agricultural, swamp and forest lands. GIS layers, where available, should be provided, showing ownership lines and acreage. The minimum acceptable product under this specification shall be the most recent aerial photographs available from the county, along with soil classification and grading lists and a listing of the unit values used (use-value units for class 4 lands, market value units for fallow tillable and idle pasture, class 5, class 6 and class 7 lands). Aerial photographs shall be supplied, where necessary, by the appraiser and shall be left with the municipality, along with classification and unit values documentation.

(c) Basic unit values shall be determined for residential and commercial lands from an analysis of sales, rents, leases, and other available market data. In the analysis of market data, adequate records shall be prepared showing data collected and unit value determinations. Such records shall be left with the municipality.

(d) Having determined basic unit values the appraiser shall apply such to each parcel, making adjustments to account for the particular characteristics of the parcel. Land computations shall be properly shown for each parcel on the property record cards, or computer-generated data sheets.

(e) For residential and commercial lands, maps and schedules shall be prepared indicating unit values used: e.g. by neighborhoods, and locations thereof to be left with the municipality.

(f) A copy of all charts, schedules and tables, not previously referred to, including depth factor tables used in the valuation of land shall be left with the municipality.

24. **VALUATION, ASSESSMENT OF TAXABLE PERSONAL PROPERTY.**

(a) Taxable personal property shall be valued and assessed by the statutory assessor in compliance with Chapter 70, Wisconsin Statutes and with recommended procedures in Volume 1 of the Wisconsin Property Assessment Manual.

(b) The assessor shall compile an updated list of all personal property accounts in the municipality. Such list shall be reviewed by the assessment board to ensure that all accounts have been discovered.

(c) To aid in determining the amount and value of personal property used in the production of income, the assessor shall require such property owners to furnish information on personal property forms as to the value of personal property owned by them or in their possession as provided in Section 70.35. Such forms shall be mailed or delivered to property owners by the assessor. Completed forms received by the assessor shall be verified for accuracy in content and checked for arithmetic and procedural errors. In the absence of a completed form, the assessor shall field check the account, along with any other questionable accounts.

(d) The assessor shall be responsible for collecting all other required information in regard to personal property, determining values on assessable personal property not used for production of income, including the value of exempt computers and completing all necessary forms in relation thereto. In the case where the assessor fails to perform, the appraiser shall collect the required information.

(e) All forms used in the valuation of personal property shall be approved by the Department and shall be left with the municipality.

25. **FINAL FIELD REVIEW.** Prior to the open book conference, the appraiser shall make a final field review. Each parcel shall be reviewed at the property location. In the final review process, the indicated value of the structure and the indicated value of the land shall be compared against sales information concerning the same parcel or comparable parcels. For income producing properties where a determination of value has been made via the income approach, this value shall also be reviewed to make the proper correlation of values between the cost, market and income approaches. The review shall cover each parcel so as to eliminate errors in computations that may have occurred, to insure uniformity in record card and form completion by various personnel, to verify building classification and depreciation estimates regarding physical, functional and economic obsolescence, and to be sure that all lands and improvements are properly accounted for.

26. **ASSESSMENT BOARD TO REVIEW ASSESSMENTS.** At least 2 weeks prior to sending notices of the assessments and the open book conferences, the assessment board shall review all assessed values on real estate and personal property; such review will include property record cards, personal property forms and all other material prepared for the revaluation.

27. **OPEN BOOK CONFERENCE.** (a) Upon completion of the assessment board's review of assessments and prior to the completion of the assessment rolls, the appraiser shall hold open book conferences for the purpose of enabling property owners or their agents to review and compare the assessed values.

(b) The municipality shall designate the place for open book conferences with both the municipality and appraiser mutually agreeing upon the date(s) and hours. Hearing time shall include a Saturday and evening hours.

(c) The appraiser shall send a notice by first class mail to each property owner at the last known mailing address. The notice form used shall be the same form prescribed by the Department of Revenue for notice required under s. 70.365. The appraiser shall also indicate on the notice, or attach to the notice, the time, date, and place the open book conference will be held. Mailing shall be fifteen (15) days prior to the first day of the conferences for the convenience of the property owners. Expenses related to the notices, excluding form supply, but including preparation of the forms and postage, shall be paid by the appraiser.

(d) The minimum number of days for open book conferences shall be set by the municipality, the number of days being specified in the addenda.

(e) Open book conferences shall be held within the completion date specified in the contract. In the event the municipality requests that the open book conferences be held at a date beyond the contracted completion date, and provided the appraiser agrees to such, the contract shall be extended commensurate with the lapse of days between the originally contracted completion date, and the revised date for open book conferences. Such extension shall be in writing and signed by both the municipality and the appraiser.

28. **COMPLETION OF ASSESSMENT ROLL.** The Assessment Board shall be responsible for the proper completion of assessment rolls according to current statutes. The appraiser shall where necessary enter into said rolls all newly established assessments, both real and personal, and the names of those to whom personal property is assessable; each roll shall also be totaled to exact balance by the appraiser. For computer prepared assessment rolls, it shall be sufficient for the appraiser to provide a list of all assessments at market value in the format required for data entry.

- (c) No appeal may be made to the Department under s. 70.85 when the Department is supervising the assessment, or reassessment.

42. **ASSESSOR'S DUTIES.** The municipal assessor shall: (a) Value mobile homes subject to the monthly mobile home parking permit fee and other duties specified in s. 66.0435 where necessary.

(b) Collect all other required information in regard to personal property, determining values on assessable personal property not used for the production of income, including the value of exempt computers and completing all necessary forms in relation thereto, and providing personal property totals by class to the appraiser for inclusion in the Assessor's Final Report.

43. **MISCELLANEOUS GENERAL AGREEMENTS.** (a) That the necessary funds are available and will be provided by the municipality as agreed herein and in the standard contract.

(b) The municipal governing body shall refrain from interfering with, or influencing any value estimate by the assessment board.

(c) The municipality shall aid the appraiser in a reasonable promotion of public information concerning the work under this agreement.

GENERAL TERMS

44. **COMPLETION OF WORK.** (a) The appraiser shall have completed all work under this agreement, except for appearing at the Board of Review and any necessary subsequent appearances as per this agreement, on or before the completion date referred to in the contract. This date of completion may be extended, if necessary, and by mutual consent.

(b) That in the event the revaluation cannot for any reason be completed within the time originally specified, the appraiser shall provide written notification to the municipality, stating the reasons for not completing the revaluation by the contracted completion date, so that the situation may be timely remedied and the revaluation completed in substantial compliance with law.

45. **ASSIGNMENT OF CONTRACT.** That the appraiser is not permitted to assign, subcontract or transfer this agreement or any part of this agreement without written approval from the municipality.

46. **COMPENSATION UPON EFFORT.** That the compensation is based upon effort required to complete the work under this agreement in an acceptable manner, and not upon the whole value or any part of the value of the municipality.

47. **FAMILIARIZATION WITH LOCAL CONDITIONS.** The appraiser is generally familiar with access throughout the municipality, maps and other pertinent records available and the degree of difficulty of the work under this agreement within the municipality.

48. **AWARD OF CONTRACT.** (a) The awarding of this agreement is contingent upon the proper filing of a 100% performance bond by the appraiser. Such bond shall be filed with the municipal clerk within thirty (30) days after the award of the contract and no work shall be performed under this agreement prior to the filing of said bond. In lieu of a performance bond, a bank letter of credit is acceptable.

(b) That if for any reason the appraiser named herein is unable or unwilling to file a 100% performance bond or bank letter of credit as provided in paragraph (a) above, this contract is to be held by both parties as null and void and without any legal or moral obligations required of either party with respect to the other party.

49. **METHOD AND TERMS OF PAYMENT.** (a) Payment for services rendered under Article II, Sections I and II of the Contract shall be on a monthly basis. The monthly statements shall reflect the percentage of work completed less ten percent (10%) retainage by the municipality/ Department. Said retainage and additional compensation provided under Section III (except item No. 2) shall be paid upon final adjournment of the Board of Review on detailed statements. Item No. 2 shall be payable by statement and in full upon completion of services.

(b) All statements shall be submitted to the municipal clerk/Department on the first day of each month for services performed the preceding month. After review and procuring any needed corrections therein, the municipality/Department shall endorse their approval and promptly pay such statements.

(c) All compensation paid to the appraiser shall be by check mailed to the address indicated in the Contract.

50. **TURN OVER OF RECORDS.** Within 14 days of the final adjournment of the board of review, the appraiser shall turn over to the municipality; (a) all records prepared for the revaluation including, but not limited to property record cards, personal property forms, maps and any other schedules or forms, (b) all records and materials obtained from the municipality and not previously returned to include maps and assessor's records, and (c) materials specifically obtained and/or used for the performance of assessment work for the municipality under contract to include aerial photos, maps, depth factor tables, copies of leases and copies of real estate transfer returns, and (d) if your assessment record system is computerized, at a minimum, provide that the software be able to create an exportable text file of the data. This text file shall then be left with the municipality, along with a field definition file to describe the various data fields in the text file.